

Introduced by Senators Correa and Alquist
(Coauthors: Senators Cedillo, DeSaulnier, Maldonado, and
Oropeza)
(Coauthors: Assembly Members Duvall and Hernandez)

January 20, 2009

An act to amend Section 18724 of the Revenue and Taxation Code, relating to taxpayer contributions.

LEGISLATIVE COUNSEL'S DIGEST

SB 91, as introduced, Correa. Income taxes: designated contributions: senior citizens.

Under the Personal Income Tax Law, taxpayers are allowed, until January 1, 2010, to contribute amounts in excess of their tax liability for the support of the California Fund for Senior Citizens. Existing law provides for the repeal of the contribution provisions for these funds either on the September 1 following the calendar year for which the Franchise Tax Board estimates that the minimum contribution amount will be less than a prescribed amount or on January 1, 2010, whichever occurs first.

This bill would, under this latter limit, extend the operation of those contribution provisions until January 1, 2015.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 18724 of the Revenue and Taxation Code
- 2 is amended to read:

1 18724. (a) This article shall remain in effect only until January
2 1, ~~2010~~ 2015, and as of that date is repealed, unless a later enacted
3 statute, which is enacted before January 1, ~~2010~~ 2015, deletes that
4 date.

5 (b) (1) By September 1, 2006, and by September 1 of each
6 subsequent calendar year that the California Fund for Senior
7 Citizens appears on a tax return, the Franchise Tax Board shall
8 determine whether the amount of contributions estimated to be
9 received during the calendar year will equal or exceed two hundred
10 fifty thousand dollars (\$250,000). The Franchise Tax Board shall
11 estimate the amount of contributions to be received by using the
12 actual amounts received and an estimate of the contributions that
13 will be received by the end of that calendar year.

14 (2) The Franchise Tax Board shall provide written notification
15 to the California Senior Legislature of the amount determined
16 pursuant to paragraph (1).

17 (3) If the Franchise Tax Board determines the amount of
18 contributions estimated to be received during a calendar year will
19 not at least equal the minimum contribution amount for the calendar
20 year, this article is repealed with respect to taxable years beginning
21 on or after January 1 of that calendar year.

22 (4) For purposes of this section, the minimum contribution
23 amount for a calendar year means two hundred fifty thousand
24 dollars (\$250,000).

25 (c) Notwithstanding the repeal of this article, any contribution
26 amounts designated pursuant to this article prior to its repeal shall
27 continue to be transferred and disbursed in accordance with this
28 article as in effect immediately prior to that repeal.